GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1817
ANSWERED ON:14.03.2002
GAIL S ENTRY INTO RE GASIFICATION SECTOR .
UMMAREDDY VENKATESWARLU

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) Whether GAIL proposes to enter into the re-gasification sector through purchases of already existing business;

(b) if so, the details of such proposals pending with GAIL;

(c) the manner in which re-gasification projects fit into GAIL`s future business expansion plans; and

(d) the financial outlays for GAIL entering such business?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINIS PARLIAMENTARY AFFAIRS(SHRI SANTOSH KUMAR GANGWAR)

(a)&(b) Currently, Gas Authority of India Limited (GAIL), being one of the oil PSUs promoting Petronet LNG Limited (PLL) to set up liquefied natural gas (LNG) terminals withre-gasification facilities at Dahej in Gujarat and Kochi in Kerala has already entered the LNG re-gasification Sector. On the request of the State Government of Maharashtra, GAIL has also been permitted to undertake `due diligence` with respect to LNG terminal of Dabhol Power Company at Dabhol and to sign the Confidentiality Agreement with the interested parties.

(c) This would assist GAIL to meet the growing demand of natural gas to some extent.

(d) Presently, GAIL holds 12.5% equity in PLL and proposal for acquiring Dabhol LNG Terminal by GAIL is at preliminary stage.